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TO RUEHC/SECSTATE WASHDC 4412
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SIPDIS

STATE FOR EEB/TPP/MTAA/ABT SZYMANSKI AND BOBO
STATE ALSO FOR EAP/MTS AND EEB/CBA
USDA/FAS/OA BREWER
USDA/FAS/OCRA HALE, HIGGISTON, RADLER
USDA/FAS/OGA HOUSE, DWYER, ROCKE
USDA/FAS/OSTA BLUM, MACKE, BERMAN, WETZEL
USDA/FAS/OCBD SHEIKH, KREAMER, GROVES
COMMERCE FOR 4430/NADJMI
STATE PASS TO USTR WEISEL, EHLLERS

E.O. 12958: N/A

TAGS: ECON EAGR ETRD ID

SUBJECT: FOOD SECURITY OPPORTUNITY FOR PRESIDENTIAL VISIT

REF: (A) 09 JAKARTA 2031; (B) 09 JAKARTA 1473; (C) 10 JAKARTA 62

¶1. We have an opportunity to develop a real U.S.-Indonesia Partnership on Agricultural Innovation and Investment as part of joint efforts on food security for President Obama's planned March visit. President Yudhoyono has publicly stated interest for a U.S. partnership on food security. Indonesians value cooperation with the United States and want a stronger partnership. They are considering regulatory changes that would facilitate greater use of biotech crops and agricultural investment, an area where U.S. companies are ready to compete. We need quick Washington action to seize this opening.

Action Request

¶2. To meet these goals before a POTUS visit, Post requests the following:

-- Include Indonesia in the Food Security Initiative (Ref A).

-- Approve funding for a marine research center (Ref B), to enable Indonesia to better manage its fisheries and ensure the continued supply of a vital food source.

-- Approve funding for Post's proposed biotech workshop as part of joint food security efforts (Ref C), so that it can be held by late February. Identify a high-level Washington visitor who could participate in the workshop.

Food Security Goals

¶3. Food Security Initiative: Almost half of Indonesia's 240 million population lives on less than \$2 a day. Thirteen million children are malnourished. Most poor families live in rural areas and depend on the agriculture sector for family incomes. The best opportunities for raising rural family incomes, reducing poverty, and increasing food security are in small-holder cash commodities: horticulture and fish for the demanding urban market, and coffee and cocoa for export. To revitalize Indonesia's rural agriculture sector, the U.S. and other donors need to return to substantial, steady investment in the rural agricultural sector, giving first priority to agriculture and fisheries institutions for teaching, research and extension.

¶4. Fisheries Center: Sustainable fisheries are critical to Indonesian food security. 60% of Indonesian's protein comes from fish. The Embassy has promoted the concept of a Center for

Sustainable Ocean Fisheries to encourage fisheries research, fisheries management, and monitoring. Such a center would focus on healthy, sustainable ocean fisheries, but would also address climate change impacts on oceans and coastal communities and the importance of climate change adaptation.

15. Biotech and Investment Workshop: The United States and Indonesia would like to jointly host a workshop on Agricultural Innovation and Investment the last week in February. The workshop will generate an action plan to further agricultural innovation and investment, including biotech crops, as part of efforts to enhance food security, for senior policy review by both parties. That agenda will focus on broad bilateral policy coordination to stimulate private sector engagement and collaboration between the United States and Indonesia to promote agricultural innovation and investment. U/S Otero will be in Jakarta that week, and we would welcome her participation.

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